

John Benedict, Esq.  
LAW OFFICES OF JOHN BENEDICT  
Nevada Bar No. 005581  
2190 E. Pebble Road, Suite 260  
Las Vegas, Nevada 89123  
Telephone: (702) 333-3770  
Facsimile: (702) 361-3685

Ryan D. Andrews (Admitted *Pro Hac Vice*)  
randrews@edelson.com  
Rafey S. Balabanian (Admitted *Pro Hac Vice*)  
rbalabanian@edelson.com  
John C. Ochoa (Admitted *Pro Hac Vice*)  
jochoa@edelson.com  
EDELSON PC  
350 North LaSalle Street, Suite 1300  
Chicago, Illinois 60654  
Tel: 312.589.6370  
Fax: 312.589.6378

*Attorneys for Plaintiff Flemming Kristensen*

**IN THE UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA**

FLEMMING KRISTENSEN, individually and  
on behalf of a class of similarly situated  
individuals,

Plaintiff,

v.

CREDIT PAYMENT SERVICE INC., a  
Nevada corporation, f/k/a MY  
CASHNOW.COM INC., ENOVA  
INTERNATIONAL, INC., an Illinois  
corporation, PIONEER FINANCIAL  
SERVICES, INC., a Missouri corporation,  
LEADPILE LLC, a Delaware limited liability  
company, and CLICKMEDIA LLC d/b/a  
NET1PROMOTIONS LLC, a Georgia limited  
liability company,

Defendants.

Case No. 2:12-CV-00528-APG-(PAL)

CLASS ACTION

Judge: Hon. Andrew P. Gordon

Magistrate: Hon. Peggy Leen

**PLAINTIFF'S NOTICE OF  
SUPPLEMENTAL AUTHORITY**

1 Plaintiff Flemming Kristensen (“Plaintiff” or “Kristensen”) submits this Notice of  
 2 Supplemental Authority to inform the Court of a recent Indictment filed in the Supreme  
 3 Court of the State of New York, County of New York, that bears on the arguments made by  
 4 Plaintiff and Defendant Credit Payment Services, Inc. (“CPS”) in briefing and oral argument  
 5 regarding Plaintiff’s Motion to Compel CPS to Produce Documents and Amended Answers  
 6 to Requests to Admit and Interrogatories. (Dkts. 199, 214, 222.) (A true and accurate copy of  
 7 the Indictment is attached hereto as Exhibit A.)

8 On August 11, 2014, Carey V. Brown, two other individuals, and twelve corporate  
 9 entities (including CPS, Area203, and MyCashNow.com) were indicted by New York  
 10 County District Attorney Cyrus R. Vance, Jr. on 39 counts stemming from their operation as  
 11 a “Payday Syndicate” that “participated in a systematic and pervasive usury scheme.”  
 12 (Indictment at 2.) This Indictment bears directly on the alter-ego relationship between CPS,  
 13 Carey Brown, MyCashNow.com, Inc. and their marketers—as well as Plaintiff’s discovery  
 14 requests regarding an alter-ego theory of liability—which were discussed at length in  
 15 Plaintiff’s briefing on his Motion to Compel (dkt. 199 at 6-10; dkt. 222 at 4-5) and at the  
 16 August 7, 2014 oral argument before this Court.

17  
 18 Dated: August 13, 2014

Respectfully submitted,

19  
 20 FLEMMING KRISTENSEN, individually and  
 21 on behalf of a class of similarly situated  
 individuals

22 By: /s/ John C. Ochoa

23 One of Plaintiff’s Attorneys

24 John Benedict, Esq.  
 25 john.benedict.esq@gmail.com  
 26 LAW OFFICES OF JOHN BENEDICT  
 Nevada Bar No. 005581  
 27 2190 E. Pebble Road Suite 260  
 Las Vegas, Nevada 89123  
 28 Tel: (702) 333-3770  
 Fax: (702) 351-3685

Ryan D. Andrews (Admitted *Pro Hac Vice*)  
randrews@edelson.com  
Rafey S. Balabanian (Admitted *Pro Hac Vice*)  
rbalabanian@edelson.com  
John C. Ochoa (Admitted *Pro Hac Vice*)  
jochoa@edelson.com  
EDELSON PC  
350 North LaSalle Street, Suite 1300  
Chicago, Illinois 60654  
Tel: 312.589.6370  
Fax: 312.589.6378

*Attorneys for Plaintiff Flemming Kristensen*

**CERTIFICATE OF SERVICE**

I hereby certify that on August 13, 2014, I electronically filed the forgoing *Plaintiff's Notice of Supplemental Authority* with the Clerk of the Court using the CM/ECF system. Notice of this filing is sent to all counsel of record by operation of the Court's electronic filing system. Parties may access this filing through the Court's system.

Dated: August 13, 2014

By: /s/ John C. Ochoa  
John C. Ochoa

# EXHIBIT A

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NEW YORK: PART

THE PEOPLE OF THE STATE OF NEW YORK

-against-

CAREY VAUGHN BROWN,  
RONALD BEAVER,  
JOANNA TEMPLE,  
ACCOUNT PROS INC. ("ACCOUNT PROS"),  
ACH FEDERAL, LLC ("ACH FEDERAL"),  
AREA 203 MARKETING, LLC ("AREA 203"),  
CLOUDSWELL, INC. aka BASENINE aka TERENCE  
("CLOUDSWELL"),  
CREDIT PAYMENT SERVICES, INC. ("CPS"),  
CREDIT PROTECTION DEPOT, INC. ("CPD"),  
ENVISION MANAGEMENT GROUP, LLC ("ENVISION"),  
MILLENNIUM FINANCIAL CONCEPTS INC. ("MILLENNIUM"),  
MYCASHNOW.COM, INC. ("MYCASHNOW"),  
OWL'S NEST, LLC ("OWL'S NEST"),  
SCENIC CITY LEGAL GROUP, P.C. ("SCENIC CITY LEGAL"), and  
SUPPORT SEVEN, LLC ("SUPPORT SEVEN"),

Defendants.

Indictment  
No.  
2687/2014

THE GRAND JURY OF THE COUNTY OF NEW YORK, by this indictment, accuses the defendants of the crime of **CONSPIRACY IN THE FOURTH DEGREE**, in violation of Penal Law §105.10(1), committed as follows:

The defendants, in the County of New York and elsewhere, during the period from on or about March 9, 2001 to on or about September 13, 2013, with intent that conduct constituting a class C felony, to wit, Criminal Usury in the First Degree, P.L. § 190.42 be performed, did agree with one and more persons to engage in and cause the performance of such conduct.



**Introduction to the Conspiracy: The Defendants**

At all times relevant to the conspiracy, defendant CAREY VAUGHN BROWN was the owner, manager, agent, and beneficiary of defendants ACCOUNT PROS INC. ("Account Pros"), located in Chattanooga, Tennessee; ACH FEDERAL, LLC ("ACH Federal"), located in Chattanooga, Tennessee; AREA 203, MARKETING, LLC ("Area 203"), located in Chattanooga, Tennessee; CLOUDSWELL, INC. aka BASENINE aka TERENCE ("Cloudswell"), located in Chattanooga, Tennessee; CREDIT PAYMENT SERVICES, INC. ("CPS"), a Nevada corporation located in Chattanooga, Tennessee; CREDIT PROTECTION DEPOT, INC. ("CPD"), a Nevada corporation located in Chattanooga, Tennessee; ENVISION MANAGEMENT GROUP, LLC ("Envision"), located in Chattanooga, Tennessee; MILLENNIUM FINANCIAL CONCEPTS, INC. ("Millennium"), located in Chattanooga, Tennessee; MYCASHNOW.COM, INC. ("MyCashNow"), with a mailing address in Anguilla, the British West Indies; OWL'S NEST, LLC ("Owl's Nest"), a Wyoming corporation located in Chattanooga, Tennessee; and SUPPORT SEVEN, LLC ("Support Seven"), located in Chattanooga, Tennessee.

Between October 2009 and September 13, 2013, defendant RONALD BEAVER was the manager, agent, employee, and Chief Operating Officer of defendants Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, MyCashNow, Owl's Nest and Support Seven.

Between 2008 and September 2013, defendant JOANNA TEMPLE was the owner, manager, agent, employee, and beneficiary of defendant SCENIC CITY LEGAL GROUP, P.C. ("Scenic City Legal"). Prior to that, defendant TEMPLE worked for the payday lending companies owned by defendant BROWN.

Between March 9, 2001 and September 13, 2013, the above-named defendants, both companies and individuals, (collectively, the "Payday Syndicate") as well as several other companies created and operated by the individual defendants, participated in a systematic and pervasive usury scheme. As part of this scheme, in New York County and elsewhere, the Payday Syndicate offered, extended, and collected on short-term loans known as "payday loans" featuring interest rates well above 25 percent (also known as per centum or %) of the principal loan amount per annum.

Defendant Carey Vaughn Brown owned and controlled defendants ACH Federal, Area 203, Cloudswell, CPS, CPD, Millennium, MyCashNow, Owl's Nest and Support Seven. These companies marketed, underwrote, loaned, serviced, transacted and collected on payday loans, including loans made to New York County residents.

Defendant Ronald Beaver served as the Chief Operating Officer of the corporate defendants and their affiliates. He managed the businesses on a day-to-day basis and participated in all major business decisions.

Defendant Joanna Temple is a lawyer and the owner of defendant Scenic City Legal, a law firm providing legal services to the defendants, as well as to other companies affiliated with the Payday Syndicate. Defendants Temple and Scenic City Legal and others instructed, encouraged, and assisted the individual defendants and employees of the payday lending companies to intentionally violate certain state lending laws, including New York's criminal usury statutes.

Defendant MyCashNow is an online payday loan business that accepts loan applications via the internet. Defendant MyCashNow, together with defendants CPS and ACH Federal, processed loan applications, approved payday loans, and electronically deposited payday loan proceeds into, and withdrew payments from, borrowers' accounts, including borrowers' accounts located in New York County. Defendant MyCashNow is owned and operated by defendant Brown.

Defendant CPS provided all origination, funding, underwriting, and processing of payday loans dispensed by defendant MyCashNow and affiliated internet lenders DiscountAdvances.com and PayDayMax.com. Defendant CPS's sole purpose was to enable the issuance of payday loans by the Payday Syndicate's internet lenders, all of which were owned and controlled by defendant Brown. Defendant Brown also owned CPS.

Defendant ACH Federal processed all of the electronic financial transactions connected with the payday lending business for the Payday Syndicate and affiliated companies. Defendant Brown owned and operated ACH Federal.

Defendant CPD purchased the payday loans approved by defendants CPS and MyCashNow and affiliated internet lenders DiscountAdvances.com and PayDayMax.com, including loans made to New York County residents.



Defendant Cloudswell is an information technology company owned by defendant Brown. Cloudswell provided all computer programming, computer servicing and IT support for the Payday Syndicate and its affiliates.

Defendant Account Pros provided accounting services to the Payday Syndicate, as well as to other affiliated companies. These services included financial analysis, bookkeeping, and preparation of tax filings.

Defendant Area 203 was a marketing and design firm owned by defendant Brown. Defendant Area 203 provided web design and internet marketing services to the corporate defendants, as well as to other companies affiliated with the Payday Syndicate.

Defendant Envision is a management firm that served as the “employer” of and salary provider for the presidents of several of the corporate defendants and other companies affiliated with the Payday Syndicate.

Defendant Millennium is owned and operated by defendant Carey Vaughn Brown and was funded by regular draws from the corporate defendants’ profits, including monies collected from usurious loans deposited in New York County bank accounts. Defendant Millennium paid defendant Brown’s salary and funded his investment projects.

Defendant Owl’s Nest is owned and controlled by defendant Brown. Defendant Owl’s Nest serves as the holding company for defendant MyCashNow and related payday lenders DiscountAdvances.com and PayDayMax.com, all of which have legal addresses located outside the United States.

Defendant Support Seven, owned by defendant Brown, served as the customer call center for the Payday Syndicate. In that role, defendant Support Seven made collections telephone calls to and received consumer complaints from payday loan borrowers, including borrowers located in New York County.

### **Background of the Conspiracy**

Payday loans are short-term, high-interest loans, usually in amounts less than \$1000 that typically are to be repaid from a borrower’s next pay check; hence, the term “payday” loans. These loans often carry interest rates exceeding 300 percent of

the principal when calculated on a per annum basis, for the initial term of the loan. While payday loans typically involve a two-week term, borrowers are often unable to repay the loan after the first two-week period. In such cases, and as part of their business model, payday lenders routinely extend loans, charging finance fees for the extensions. Lenders often extend the loans multiple times, and in those cases the per annum interest rates can be much higher than the interest rates charged for the initial loan term. Pursuant to the New York State Penal Law and Banking Law, it is a crime for an unlicensed lender to charge more than 25 percent per annum interest on any loan less than \$2.5 million.

As part of the conspiracy, Defendant Carey Brown created defendants MyCashNow, CPS, ACH Federal, CPD, Cloudswell, Account Pros, Area 203, Envision, Support Seven, Millennium and later, Owl's Nest, to engage in the making of payday loans via the internet. In 2001, defendant Brown established MyCashNow to accept online applications for payday loans. Defendant Brown designated Anguilla, British West Indies, as defendant MyCashNow's business location, and created a corporate structure wherein defendant MyCashNow owned no assets, had no officers or employees, possessed no bank accounts, and occupied no office space. Defendant Carey Vaughn Brown arranged defendant MyCashNow as an offshore entity in an effort to avoid complying with the various state laws that apply to payday loans. In defendant Brown's own words, defendant MyCashNow was a "shell corporation" that never possessed bank accounts or assets of any kind.

Also in 2001, and as part of the conspiracy, defendant Brown formed defendant CPS. Defendant CPS served to approve, underwrite, and process payday loans requested through defendant MyCashNow. Defendant Brown served as defendant CPS's "vice president" and defendant Temple was identified as defendant CPS's attorney.

In or around 2004, defendant Carey Brown established two other internet pay day lending sites – DiscountAdvances.com and PayDayMax.com – as offshore shell companies to serve the same purpose as defendant MyCashNow.

Soon thereafter, defendant Brown formed various corporations to assist and support his internet payday lending companies. In 2005, defendant Brown incorporated defendant CPD to serve as the "purchaser" of all payday loans originated by



the three internet lenders and defendant CPS, including loans made to New York County residents. Defendant Brown designated one of his employees, Sherry Huff to serve as the owner of record of defendant CPD, a position for which Huff was paid a salary, but received no profits; defendant Brown was the primary beneficiary of the profits of defendant CPD's business, and was the final decision maker for all of the businesses created in support of the Payday Syndicate.

In 2007, defendant ACH Federal was incorporated in the State of Nevada. In ACH Federal's 2009 annual corporate filings, defendant Brown designated defendant Beaver as manager of the company and defendant Temple acted as its attorney.

In 2012, defendants Carey Brown, Ronald Beaver, Joanna Temple and others created defendant Owl's Nest to serve as a holding company for defendant MyCashNow and affiliated online lenders DiscountAdvances.com and PayDayMax.com. Owl's Nest was incorporated after defendant ACH Federal's bank insisted that defendant MyCashNow and the affiliated online lenders have legal presences in the United States. Defendant Owl's Nest is owned by defendant Carey Brown and he is the only beneficiary of its assets and profits.

### **Operation of the Conspiracy**

The Payday Syndicate conspired to make loans with exceedingly high interest rates to borrowers, including New York borrowers. The defendants and others carefully crafted their corporate entities to obscure ownership and secure increasing profits. In furtherance of the conspiracy, the defendants and others designed a closed "wheel" where nearly every company involved in the payday loan process – which included approval, underwriting, funding, collection, marketing, design, accounting, lead generation, and customer service – were owned, operated, or controlled by defendant Carey Vaughn Brown.

The defendants' payday loan wheel started turning when a consumer seeking a payday loan submitted an application to defendant MyCashNow, DiscountAdvances.com or PayDayMax.com. This information was then sent to defendant CPS, which approved, underwrote, and processed the loan applications submitted to the online lenders. Defendant CPS then requested that defendant ACH Federal transfer

payday loan funds to borrowers. Defendant ACH Federal made these transfers through the automated clearinghouse (ACH) network, a nation-wide system (not part of or connected to the Payday Syndicate) that serves to process and deliver electronically financial transactions (ACH transactions) among financial institutions. The borrower was asked to provide bank account information so that defendant ACH Federal could deposit loan proceeds into, and later withdraw loan payments from, the borrower's bank account. Defendant ACH Federal, located in Chattanooga, Tennessee was also owned by Defendant Brown.

Defendant CPD immediately purchased at a premium the loans made by the online lenders once they were approved, underwritten, and processed by defendant CPS. After purchasing payday loans from defendant CPS and the online lenders, defendant CPD was responsible for servicing the loans and collecting the payments.

The borrower was required to repay the loan principal plus interest and fees from his or her next paycheck – or other regularly scheduled payment – usually in two weeks' time. On the repayment date, defendant ACH Federal automatically attempted to debit the borrower's bank account, unless the borrower contacted defendant CPD and indicated that he or she was unable to repay the principal. If the attempted debit failed due to insufficient funds in the borrower's account, defendant CPD charged a finance fee, and the borrower would often also be charged bank fees for the failed transaction.

On the other hand, if a borrower contacted CPD and indicated that he or she could not repay the loan by the due date, CPD would extend the loan, charge a finance fee, and require payment of the principal plus a new finance charge from the borrower's next paycheck. The borrower could extend one payday loan three times, paying only new finance charges on each due date. After that, the finance charge, plus at least an additional \$50 applied to the principal would be charged.

In 2012, approximately \$500 million in principal and interest cycled through the Payday Syndicate and its affiliated companies. Of that amount, approximately \$150 million represented fees and interest, or annual gross profit to the defendants. From this \$150 million, an estimated \$5 million to \$8 million was siphoned off into a bank account held by defendant Millennium, a company owned and controlled by



defendant Carey Brown. The rest of the money was distributed among the Payday Syndicate and its affiliates.

The finance charge, or interest, on loans made by the Payday Syndicate always far exceeded 25 per centum of the principal when calculated on a per annum basis. Indeed, these loans – including loans made to New York County residents and deposited into New York County bank accounts – carried per annum interest rates between 350 percent and 650 percent, and sometimes higher. These interest rates violated caps imposed by New York, which caps per annum interest rates on loans at 25 per centum per annum.

Starting in 2003, the defendants and other companies and individuals in the Payday Syndicate received numerous letters and complaints from the New York State Attorney General's Office and from New York residents who received payday loans from the defendants. These letters and complaints informed the payday Syndicate that payday loans were illegal under New York law. One such letter, from the New York State Attorney General, dated May 8, 2012, explicitly informed defendants CPD, Scenic City Legal and Joanna Temple that "New York State's usury and licensing laws apply to foreign entities lending to individuals in the state. An entity that conducts business via the Internet and has no physical presence in New York is therefore subject to these laws."

Defendants Brown, Beaver and Temple discussed these complaints among themselves and with others, including employees of the Payday Syndicate. While defendant CPD sometimes ceased attempts to collect on the loans after a specific customer filed a complaint, the defendants continued to extend and collect on loans to New York State residents.

Moreover, and in furtherance of the conspiracy, defendants Joanna Temple and Scenic City Legal offered false advice to the co-defendants and others, claiming that the Payday Syndicate and its affiliates were exempt from states' lending laws because (i) the online lenders were located outside the United States; (ii) the payday loans were made on the internet; and (iii) the activity was legitimate under the Commerce Clause of the United States Constitution. These false explanations were shared with defendants Carey Brown and Ronald Beaver, as well as others.



In fact, the defendants incorporated states' criminal lending statutes into the risk assessments of making loans in each state. The Payday Syndicate and others compiled and produced charts detailing the regulatory and legal risks they faced in each state. One risk assessment chart specifically listed New York State's criminal usury statute; another chart indicated that New York was the third most profitable of all the states in which the defendants made payday loans. And it was common knowledge among the Payday Syndicate and its affiliates that none of the businesses had been granted a lending license in New York or in any state. This information was discussed in meetings attended by defendants Brown, Beaver, Temple, the corporate defendants and others. And yet, despite knowing that New York State prohibited loans carrying more than 25 percent per annum interest rates, the defendants continued to make and collect on payday loans to New York residents, including residents in New York County who used New York County bank accounts to transfer the loan proceeds and payments.

The conspiracy continued until defendant ACH Federal's bank ceased processing payments for the Payday Syndicate. When this happened, the conspirators and others searched for another bank to process their payday loan payments; they failed. Lacking the ability to transfer payday loan proceeds and payments, the majority of the Payday Syndicate's companies went out of business, but not before reaping enormous profits. In 2012, defendant CPD reported receiving close to \$50 million in loan proceeds from loans made to New York State residents; approximately \$16 million of that represented interest charged on the loans.

### OVERT ACTS

In the course of and in furtherance of the conspiracy, the conspirators committed and caused to be committed the following overt acts:

1. On or about March 9, 2001, defendants Carey Vaughn Brown, Credit Payment Services and others, filed with the Nevada Secretary of State Articles of Incorporation for Credit Payment Services, Inc.

2. In 2001, defendant Carey Vaughn Brown and others established defendant My-CashNow in Anguilla, British West Indies, to accept online applications for payday loans.

3. On or about January 12, 2005, defendants Carey Vaughn Brown, Credit Protection Depot and others, filed with the Nevada Secretary of State Articles of Incorporation for Credit Protection Depot, Inc.

4. On or about April 17, 2007, defendants Carey Vaughn Brown, ACH Federal and others, filed with the Nevada Secretary of State Articles of Organization Limited Liability Company for ACH Federal, LLC.

5. On or about January 23, 2008, in New York County, defendant ACH Federal deposited \$500 to Bank of America bank account # 009468282374, held by a New York County resident, representing the principal of a \$500 loan made by defendants MyCashNow and CPS that carried an interest rate of approximately 355 per centum per annum.

6. On or about February 14, 2008, in New York County, defendant ACH Federal withdrew and received \$500 in principal and \$107.07 as interest from Bank of America bank account # 009468282374, held by a New York County resident, as repayment to defendants MyCashNow and CPD for a \$500 loan that carried an interest rate of approximately 355 per centum per annum.

7. On or about February 29, 2008, defendants Joanna Temple, Scenic City Legal Group, Credit Payment Services and others, filed with the Nevada Secretary of State an Annual List of Officers, Directors and Resident Agent for Credit Payment Services, identifying Silver Shield Services, Inc. of Silver Springs, Nevada, as Credit Payment Service's registered agent for process of service.

8. On or about March 13, 2008, in New York County, defendant ACH Federal withdrew and received \$500 in principal and \$107.07 as interest from Bank of America bank ac-



count # 009468282374, held by a New York County resident, as repayment to defendants MyCashNow and CPD for a \$500 loan that carried an interest rate of approximately 355 per centum per annum.

9. On or about March 18, 2008, in New York County, defendant ACH Federal deposited \$560 to Bank of America bank account # 009468282374, held by a New York County resident, representing the principal of a \$560 loan made by defendants MyCashNow and CPS that carried an interest rate of approximately 1290 per centum per annum.

10. On or about May 22, 2008, in New York County, defendant ACH Federal withdrew and received \$450 in principal and \$100.55 as interest from Bank of America bank account # 009468282374, held by a New York County resident, as repayment to defendants MyCashNow and CPD for a \$450 loan that carried an interest rate of approximately 355 per centum per annum.

11. On or about July 17, 2008, in New York County, defendant ACH Federal withdrew and received \$400 in principal and \$55.86 as interest from Bank of America bank account # 009468282374, held by a New York County resident, as repayment to defendants MyCashNow and CPD for a \$400 loan that carried an interest rate of approximately 364 per centum per annum.

12. On or about August 14, 2008, in New York County, defendant ACH Federal withdrew and received \$400 in principal and \$81.93 as interest from Bank of America bank account # 009468282374, held by a New York County resident, as repayment to defendants MyCashNow and CPD for a \$400 loan that carried an interest rate of approximately 356 per centum per annum.

13. On or about September 11, 2008, in New York County, defendant ACH Federal withdrew and received \$560 in principal and \$72.99 as interest from Bank of America bank

account # 009468282374, held by a New York County resident, as repayment to defendants MyCashNow and CPD for a \$560 loan that carried an interest rate of approximately 595 per centum per annum.

14. On or about September 17, 2008, in New York County, defendant ACH Federal deposited \$560 to Bank of America bank account # 009468282374, held by a New York County resident, representing the principal of a \$560 loan made by defendants MyCashNow and CPS that carried an interest rate of approximately 406 per centum per annum.

15. On or about November 20, 2008, in New York County, defendant ACH Federal withdrew and received \$500 in principal and \$130.34 as interest from Bank of America bank account # 009468282374, held by a New York County resident, as repayment to defendants MyCashNow and CPD for a \$500 loan that carried an interest rate of approximately 352 per centum per annum.

16. On or about November 25, 2008, in New York County, defendant ACH Federal deposited \$350 to Bank of America bank account # 009468282374, held by a New York County resident, representing the principal of a \$350 loan made by defendants MyCashNow and CPS that carried an interest rate of approximately 529 per centum per annum.

17. On or about January 29, 2009, in New York County, defendant ACH Federal withdrew and received \$560 in principal and \$104.27 as interest from Bank of America bank account # 009468282374, held by a New York County resident, as repayment to defendants MyCashNow and CPD for a \$560 loan that carried an interest rate of approximately 227 per centum per annum.

18. On or about January 30, 2009, in New York County, defendant ACH Federal deposited \$560 to Bank of America bank account # 009468282374, held by a New York County



resident, representing the principal of a \$560 loan made by defendants MyCashNow and CPS that carried an interest rate of approximately 252 per centum per annum.

19. On or about March 12, 2009, in New York County, defendant ACH Federal withdrew and received \$500 in principal and \$65.17 as interest from Bank of America bank account # 009468282374, held by a New York County resident, as repayment to defendants MyCashNow and CPD for a \$500 loan that carried an interest rate of approximately 793 per centum per annum.

20. On or about March 16, 2009, in New York County, defendant ACH Federal deposited \$560 to Bank of America bank account # 009468282374, held by a New York County resident, representing the principal of a \$560 loan made by defendants MyCashNow and CPS that carried an interest rate of approximately 382 per centum per annum.

21. On or about April 6, 2009, defendants Joanna Temple and Scenic City Legal Group advised defendants MyCashNow, Credit Protection Depot, Support Seven and others to discontinue collection effort communications with a New York resident borrower who filed a complaint against MyCashNow (i) alleging that payday loans were illegal in New York; (ii) requesting MyCashNow's license number; and (iii) stating that the borrower would file complaints with the Better Business Bureau, Federal Trade Commission, Attorney General's Office, New York State Banking Department, and others.

22. On or about April 14, 2009, in New York County, defendant ACH Federal deposited \$560 to Bank of America bank account # 009468282374, held by a New York County resident, representing the principal of a \$560 loan made by defendants MyCashNow and CPS that carried an interest rate of approximately 529 per centum per annum.

23. On or about April 22, 2009, defendants Joanna Temple and Scenic City Legal Group advised defendants Credit Protection Depot, Support Seven and others to discontinue col-



lection efforts related to a New York resident borrower who filed a complaint with the New York State Attorney General's Office because, according to defendant Temple, there was "no need to tweak anyone's nose in a case where [we] got most of the money back."

24. On or about May 1, 2009, in New York County, defendant ACH Federal deposited \$560 to Bank of America bank account # 009468282374, held by a New York County resident, representing the principal of a \$560 loan made by defendants MyCashNow and CPS that carried an interest rate of approximately 357 per centum per annum.

25. On or about May 14, 2009 to on or about May 15, 2009, defendants Joanna Temple, Scenic City Legal Group, Credit Protection Depot, Support Seven and others agreed to discontinue contact with a borrower who threatened to file complaints with the Better Business Bureau, Federal Trade Commission and New York Attorney General's Office if the defendants did not cease their efforts to collect on payday loans made to the borrower.

26. On or about May 25, 2009 to on or about June 4, 2009, defendants Joanna Temple, Scenic City Legal Group, MyCashNow, Credit Protection Depot, Support Seven and others agreed to have no further contact with a New York borrower because, as defendant Temple explained, "[t]here are two complaints right now with the attorney general of New York for my cash now. . .being handled by different attorneys so they haven't clued in yet."

27. On or about May 25, 2009 to on or about June 4, 2009, defendants Joanna Temple and Scenic City Legal Group directed defendants Credit Protection Depot and Support Seven to close the loans made to a New York borrower, because defendant Temple felt "[w]hile [the complaint] did not come from the AG, I don't want another complaining witness on their radar so CLOSE these loans."

28. On or about June 18, 2009, in New York County, defendant ACH Federal withdrew and received \$560 in principal and \$104.27 as interest from Bank of America bank account

# 009468282374, held by a New York County resident, as repayment to defendants MyCashNow and CPD for a \$560 loan that carried an interest rate of approximately 428 per centum per annum.

29. On or about August 11, 2009, defendants Joanna Temple and Scenic City Legal Group advised defendants MyCashNow, Credit Protection Depot and Support Seven “[t]here is still no way for MyCashNow to respond to this [letter received from the New York State Attorney General] or for anyone here to acknowledge receipt of it. Continue to handle collections in New York with kid gloves and we’ll have to see where this goes.”

30. On or about September 8, 2009, defendants Carey Vaughn Brown, Joanna Temple, Scenic City Legal Group, Credit Protection Depot and others discussed meeting to “decide how to proceed in [] sensitive states” including New York.

31. On or about June 17, 2010, in New York County, defendant ACH Federal withdrew and received \$250 in principal and \$32.58 as interest from Bank of America bank account # 009468282374, held by a New York County resident, as repayment to defendants MyCashNow and CPD for a \$250 loan that carried an interest rate of approximately 680 per centum per annum.

32. On or about February 10, 2011, in New York County, defendant ACH Federal withdrew and received \$400 in principal and \$52.14 as interest from Bank of America bank account # 009468282374, held by a New York County resident, as repayment to defendants MyCashNow and CPD for a \$400 loan that carried an interest rate of approximately 793 per centum per annum.

33. On or about March 3, 2011, defendants Scenic City Legal Group, Credit Payment Services, Credit Protection Depot, MyCashNow and others shared a chart entitled “Complaints by State with CPD and CPS” including dozens of complaints received between Sep-



tember 24, 2003 and October 29, 2009, from New York State residents alleging payday loans were illegal in New York.

34. On or about March 22, 2012, in New York County, defendant ACH Federal withdrew and received \$560 in principal and \$72.99 as interest from Bank of America bank account # 009468282374, held by a New York County resident, as repayment to defendants MyCashNow and CPD for a \$560 loan that carried an interest rate of approximately 529 per centum per annum.

35. On or about April 30, 2012, defendants Ronald Beaver, ACH Federal and others filed with the Nevada Secretary of State an Annual List of Officers, Directors and Resident Agent for ACH Federal, indicating that Silver Shield Services served as ACH Federal's registered agent for process of service, defendant Beaver served as the manager for ACH Federal, and defendant Temple was ACH Federal's managing attorney.

36. On or about May 7, 2012 to on or about May 8, 2012, defendants Joanna Temple, Scenic City Legal Group, Credit Protection Depot, Envision and others responded to correspondence received from the New York State Attorney General's Office informing Credit Protection Depot that it was violating New York State's usury and licensing laws, which applied to entities conducting business via the internet.

37. On or about November 30, 2012, defendants Carey Vaughn Brown, Joanna Temple, Scenic City Legal Group, Account Pros and others drafted Articles of Incorporation for Owl's Nest, a corporation created to serve as a holding company defendant MyCashNow and affiliated online payday lenders DiscountAdvances.com and PayDayMax.com.

38. On or about December 3, 2012, defendants Carey Vaughn Brown, Joanna Temple, Scenic City Legal Group, Account Pros and others filed Articles of Incorporation for Owl's Nest with the Wyoming Secretary of State, who issued a certificate of organization.

39. On or about December 13, 2012, defendants Carey Vaughn Brown, Ronald Beaver, Joanna Temple, MyCashNow, Credit Payment Services, Credit Protection Depot, Account Pros and others approved fee increases on payday loans made by defendant MyCashNow and related entities DiscountAdvances.com and PayDayMax.com.

40. On or about February 13, 2013, defendants Carey Vaughn Brown, Ronald Beaver, Credit Payment Services, Credit Protection Depot and others recommended raising the lending limits on new customers to \$1500, "to accelerate average loan value and take another step toward getting the numbers back on track with our planned goals for 2013."

41. On or about May 30, 2013, in New York County, defendant ACH Federal withdrew and received \$500 in principal and \$76.93 as interest from Bank of America bank account # 009468282374, held by a New York County resident, as repayment to defendants MyCashNow and CPD for a \$500 loan that carried an interest rate of approximately 802 per centum per annum.

42. On or about July 19, 2013, in New York County, ACH Federal deposited \$780 into JP Morgan Chase bank account #233797122, held by a New York County resident, representing the principal of a \$780 loan made by defendants MyCashNow and CPS that carried an interest rate of approximately 573 per centum per annum.

43. On or about August 2, 2013, in New York County, defendant ACH Federal delivered an ACH transaction to JP Morgan Chase bank account #233797122, held by a New York County resident, for the purpose of withdrawing \$780 in principal and \$183.69 as interest, as repayment to defendants MyCashNow and CPD for a \$780 loan that carried an interest rate of approximately 573 per centum per annum.

44. On or about August 9, 2013, in New York County, defendant ACH Federal delivered an ACH transaction to JP Morgan Chase bank account #233797122, held by a New

York County resident, for the purpose of withdrawing \$780 in principal and \$183.69 as interest, as repayment to defendants MyCashNow and CPD, for a \$780 loan that carried an interest rate of approximately 573 per centum per annum.

SECOND COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, MyCashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about June 19, 2009 to on or about July 20, 2009, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.



THIRD COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about February 3, 2010 to on or about February 11, 2010, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.

FOURTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about February 17, 2010 to on or about February 25, 2010, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.

FIFTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about May 11, 2010 to on or about May 20, 2010, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.

SIXTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about June 10, 2010 to on or about June 17, 2010, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.



SEVENTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about June 24, 2010 to on or about July 15, 2010, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.

EIGHTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about July 20, 2010 to on or about August 12, 2010, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.

NINTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about August 16, 2010 to on or about September 9, 2010, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.

TENTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about October 13, 2010 to on or about October 21, 2010, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.



ELEVENTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about November 10, 2010 to on or about November 18, 2010, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.

TWELFTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about November 29, 2010 to on or about December 16, 2010, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.



THIRTEENTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about December 30, 2010 to on or about January 13, 2011, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.

FOURTEENTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about February 4, 2011 to on or about February 10, 2011, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.

FIFTEENTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about February 17, 2011 to on or about February 24, 2011, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.

SIXTEENTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about April 12, 2011 to on or about April 21, 2011, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.



SEVENTEENTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about April 29, 2011 to on or about May 19, 2011, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.

EIGHTEENTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about May 23, 2011 to on or about June 2, 2011, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.



NINETEENTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about July 12, 2011 to on or about July 28, 2011, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.

TWENTIETH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about October 12, 2011 to on or about October 20, 2011, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.

TWENTY-FIRST COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about October 27, 2011 to on or about November 17, 2011, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.

TWENTY-SECOND COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about November 18, 2011 to on or about December 1, 2011, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.



TWENTY-THIRD COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about December 19, 2011 to on or about December 29, 2011, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.

TWENTY-FOURTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about January 4, 2012 to on or about January 26, 2012, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.



TWENTY-FIFTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about January 30, 2012 to on or about February 23, 2012, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.

TWENTY-SIXTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about March 13, 2012 to on or about March 22, 2012, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.

TWENTY-SEVENTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about May 30, 2012 to on or about June 14, 2012, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.

TWENTY-EIGHTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about July 6, 2012 to on or about July 26, 2012, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.



TWENTY-NINTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about August 3, 2012 to on or about August 23, 2012, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.

THIRTIETH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about August 28, 2012 to on or about September 6, 2012, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.



THIRTY-FIRST COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about September 18, 2012 to on or about October 4, 2012 , not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.

THIRTY-SECOND COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about October 11, 2012 to on or about November 1, 2012, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.

THIRTY-THIRD COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about November 20, 2012 to on or about December 13, 2012, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.

THIRTY-FOURTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about January 3, 2013 to on or about January 24, 2013, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.



THIRTY-FIFTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about January 29, 2013 to on or about February 21, 2013, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.

THIRTY-SIXTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about March 13, 2013 to on or about April 4, 2013, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.



THIRTY-SEVENTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about May 23, 2013 to on or about May 30, 2013, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.

THIRTY-EIGHTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, My-CashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about July 1, 2013 to on or about July 25, 2013, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.

THIRTY-NINTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants of the crime of **CRIMINAL USURY IN THE FIRST DEGREE**, in violation of Penal Law §190.42, committed as follows:

The defendants, Carey Vaughn Brown, Ronald Beaver, Joanna Temple, Account Pros, ACH Federal, Area 203, Cloudswell, CPS, CPD, Envision, Millennium, MyCashNow, Owl's Nest, Scenic City Legal Group and Support Seven, in the County of New York and elsewhere, during the period from on or about July 18, 2013 to on or about August 6, 2013, not being authorized and permitted by law to do so, knowingly charged, took, and received money and other property as interest on a loan and forbearance of any money and other property, at a rate exceeding twenty-five per centum per annum and the equivalent rate for a longer or shorter period of time, and the conduct was part of a scheme and business of making and collecting usurious loans.

**CYRUS R. VANCE, JR.**

District Attorney

Filed

No.

NA

THE PEOPLE OF THE STATE OF NEW YORK

~~-against-~~

CAREY VAUGHN BROWN,  
RONALD BEAVER,  
JOANNA TEMPLE,  
ACCOUNT PROS INC.,  
ACH FEDERAL, INC.,  
AREA 203,  
CLOUDSWELL, INC. aka BASENINE aka TERENCE  
CREDIT PAYMENT SERVICES, INC.,  
CREDIT PROTECTION DEPOT, INC.,  
ENVISION MANAGEMENT GROUP,  
MILLENNIUM FINANCIAL CONCEPTS INC.,  
MYCASHNOW.COM, INC.,  
OWL'S NEST, LLC,  
SCENIC CITY LEGAL GROUP, P.C., AND  
SUPPORT SEVEN,  
Defendants.

---

INDICTMENT

CONSPIRACY IN THE FOURTH DEGREE, P.L. §105.10(1) (1 count, all defendants)

CRIMINAL USURY IN THE FIRST DEGREE, P.L. § 190.42 (38 counts, all defendants)

---

CYRUS R. VANCE, JR.  
District Attorney

ADA Julieta V. Lozano  
ADA Kevin Wilson

---

Foreperson

Major Economic Crimes Bureau

A True Bill